

Tier 1 Utah Governors and Legislators



Utah Retirement Systems
Utah Governors and Legislators
Retirement Plan Highlights

2015-16
Effective July 1, 2015

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Welcome to the
Utah Governors and Legislators
Retirement Plan!



The
Utah Governors
and Legislators

Retirement Plan is a defined benefit retirement plan under Utah Retirement Systems (URS) intended to provide a meaningful retirement benefit to governors and legislators. It is a qualified tax-deferred plan under Internal Revenue Code Section 401(a).

The laws that govern this retirement plan are set forth in Utah Code Title 49.

Membership Eligibility

You qualify for membership if you are a Utah governor or legislator.

Defined Benefit Annual Retirement Statement

URS Defined Benefit (pension) Annual Retirement Statements reflect service credit and designated beneficiaries. Statements are mailed to your home address and are also available online. Go to www.urs.org and log in to myURS.

Refunds

A withdrawal of any member contributions will forfeit all benefits based on those contributions.

Death Benefits

Non-Retired Member

If you had not yet retired and had completed four or more years of service in the elected office, your surviving spouse, at the time of death, would be eligible to receive a monthly benefit. The benefit would be equal to 50% of the benefit to which you would have been entitled when reaching age 65, if you and your surviving spouse have been married at least six months.

Retired Member

If you are retired and receiving a benefit under this plan, your spouse, at the time of death, is entitled to an amount equal to 50% of the benefit you were receiving at the time of your death.

***Note:** In order for your spouse’s benefit to be effective the first day of the month following the month of your death (the benefit effective date), your spouse must file an application with our office within 90 days of your death. If the application is received 90 days after your death, the benefit effective date will be the first day of the month following the month in which the application is received.*

After your death, any money in your URS Savings Plans (401(k), 457, IRAs) will be payable to your beneficiary(ies).

Retirement Qualifications

	Age	Service	Reduction
Governor	65	1 Term	None
	62	10 Years	Actuarial
Legislator	65	4 Years	None
	62	10 Years	Actuarial

Benefit Formula

Governor

\$500* per month for each term.

*Increased semiannually up to 2% based on the consumer price index. The amount as of July 1, 2015, is \$1,340.00.

Legislator

\$10** per month for each year of service as a legislator.

**Increased semiannually up to 2% based on the consumer price index. The amount as of July 1, 2015, is \$29.20.

An additional \$3.50 per month, for each year of service, is payable to elected and appointed legislators and governors who were members of this Plan before March 1, 2000.

Steps to Retirement

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Get an Estimate

Contact our office for a URS-generated estimate if you're planning to retire in the next 12 months.

Once You Decide to Retire

When you decide to retire, make an appointment with a retirement advisor or request an application by mail. Your application setting your retirement date must be filed with our office not more than 90 days before or after your retirement date. Your signature on the application must be notarized.

Setting a Retirement Date

You may set your retirement date for the first or the 16th day of the month.

When You'll Receive Payment

Your retirement benefit is paid monthly. Retirement checks for the month of payment are mailed the last working day of each month. Although your first check may be delayed up to three months following your effective retirement date, the amount of your check is retroactive to the date your retirement began. This delay is due in part to the time required to receive and post salary information from your employer and to receive verification of your service credit eligibility.

Filing Your Application

When you file your retirement application, you need to provide an original or legible photocopy of your marriage certificate as well as birth certificates or other proof-of-age documents for yourself and your spouse. *You may cancel or change your application any time up to the date of your retirement.*

Note: There is a three-day rescission period from the date your application is signed during which time you may elect to make a change.

For more information, the **Steps to Retirement** brochure is available on our website and from our office.

Partial Lump-Sum Option (PLSO) at Retirement

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At retirement, you have the option to receive a lump-sum payment equal to 12 months or 24 months of your lifetime monthly retirement benefit. By electing to receive a lump-sum payment, you accept a permanently reduced lifetime monthly retirement benefit.

Returning to Work After Retirement

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The monthly legislative benefit ceases at the beginning of each session and is restored to the same amount at the end of the session, if you are elected to another term or continue to serve in the legislature after retirement. If you are receiving a benefit while serving as a legislator, you are eligible for additional service credits and a benefit adjustment at the end of each term of office.

For details on other post-retirement employment refer to the **Post-Retirement Employment** brochure.

URS Savings Plans

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URS offers four retirement savings plans: 401(k), 457, traditional IRA, and Roth IRA. You and/or your employer have the option of contributing to a 401(k) and/or 457 plan, if your employer participates, and you have the option of contributing to a traditional and/or Roth IRA.

Each plan has been established under separate sections of the Internal Revenue Code. Therefore, a separate set of laws and regulations governs each plan. As a result, there are some differences among the plans.

Information about the savings plans is available at www.urs.org or by contacting our Defined Contribution Department at 801-366-7720 or 800-688- 401k (press “0” to speak with a counselor during normal business hours).

URS Savings Plans Quarterly Statements are mailed to your home address and are also available at www.urs.org, via myURS.

Things to Know

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Federal law requires you, if you are no longer working, to begin receiving benefits on or before April 1, following the year you turn age 70½. If you are still working after age 70½ you must begin receiving benefits on or before April 1, following the year you terminate employment. If you fail to meet this **required minimum distribution (RMD)**, you may be subject to a substantial federal excise tax.

An additional 3% may be added to your monthly retirement benefit if you had retirement service in your account on *January 1, 1989*.

Federal and Utah state income taxes can be withheld from your retirement check. Federal income tax will be withheld beginning with your first retirement check unless you tell us otherwise. If you’re a nonresident, check your state’s tax laws for the status of your Utah retirement benefits. You may change your withholding status at any time. Forms are available from our office and at www.urs.org.

If you had contributions withheld from your paycheck, you may exclude a percentage of your monthly benefit from taxation. This information will arrive with your first retirement check under separate cover. Every January you will receive a 1099-R showing the gross and taxable amounts of benefits paid to you the previous year and the taxes withheld. Consult a tax professional regarding your own situation.

Social Security benefits are federally sponsored. For information, contact your local Social Security office.

Health insurance after retirement is based on your employer's benefit package and should be reviewed carefully with your employer *before* you retire. You should also check with your employer about any early retirement incentives. A supplement to Medicare is available at age 65 to you and your spouse through Public Employees Health Program (PEHP). For more information, call PEHP at 801-366-7555 or 800-765-7347 or visit www.pehp.org.

Cost-of-living increases of up to 4% of your retirement benefit begin one year after you retire, based on the consumer price index.

Lost or misplaced checks can be replaced if you request it in writing.

Direct deposit is available for monthly checks once you retire. Forms are available from our office and at www.urs.org.

We need to know if your **address changes** in order to keep you informed about your retirement benefits. Our having your current address ensures that you receive your *defined benefit annual retirement statement*, your *defined contribution quarterly statement (401(k), 457, IRAs)*, informative publications, and information you request on your account. You may change your address by logging into your myURS account

at www.urs.org or you may request a form by contacting our office. Statements are also available by logging into myURS.

Your right to privacy is protected.

Information can be given over the telephone to you only if you can demonstrate your identity through knowledge of personal information. If such knowledge cannot be demonstrated, account information will not be discussed over the telephone. Because your file is confidential, we cannot release information to your spouse, relatives, or group representative. Information provided through our website and interactive voice response (IVR) system is permitted only with a valid user identification (ID) and personal identification number (PIN).

Beneficiary designations should be kept current and on file in our office at all times. You may change your beneficiary(ies) at any time by logging into your account at www.urs.org under myURS. When updating your beneficiary(ies), you revoke all previous designations. Forms are also available from our office or at www.urs.org.

Administrative Information

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Nonassignability of Benefits or Payments

Retirement benefits or payments are not subject to alienation or assignment by you and are not subject to attachment, execution, garnishment, or any other legal or equitable process except for a domestic relations order (DRO) and IRS tax levies. If there is a valid DRO on your URS Defined Benefit Retirement (pension) account or your URS Savings Plans (401(k), 457, traditional or Roth IRA), part of your benefits will be paid to your alternate payee (ex-spouse), as specified in the DRO. Our office cannot begin payment of your defined benefit retirement

(pension) to an alternate payee until you terminate employment and apply for retirement benefits. Payments from your URS Savings Plans to an alternate payee can begin as soon as a valid DRO is filed with our office.

The defined benefit plans (pension) and the defined contribution savings plans have separate model DROs, available from our office, to help attorneys prepare an acceptable order.

Appeals

If you disagree with the calculation of a benefit, accrual of service credit, or with some other action taken by a department of our office, you may appeal such decisions pursuant to Utah Code Ann. § 49-11-613.

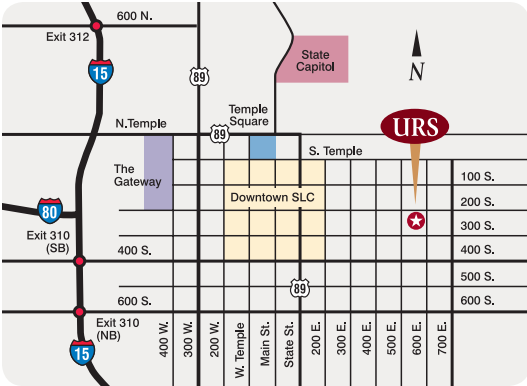
If you decide to seek reversal of a decision by a department of our office, you'll need to write a letter to the executive director stating the facts of the situation, the remedy you seek, and the legal or equitable basis for the reversal. The executive director will review the case and either grant or deny your request. If it is denied, you may, within 30 days of the denial, file a written petition with the hearing officer. Steps for filing the petition will be sent to you at that time.

A Final Word

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This brochure is general in nature. For specific information on your account, contact our office in Salt Lake City or St. George.

For more information regarding the URS Savings Plans (401(k), 457, IRAs) contact our Defined Contribution Department at 801-366-7720 or at 800-688-401k.



Salt Lake City Office

560 East 200 South, Suite 240

Salt Lake City, UT 84102-2021

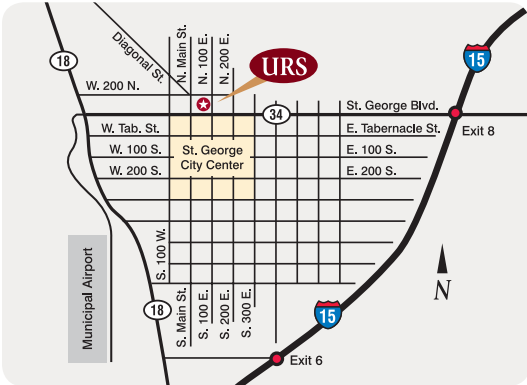
801-366-7700 • 800-365-8772

TTY 800-877-8339 or 711

Visit: Monday - Friday, 8:00 a.m. - 5:00 p.m.

Salt Lake Office Mailing Address

P.O. Box 1590 • Salt Lake City, UT 84110-1590



Southern Utah Branch Office

165 North 100 East, #9

St. George, UT 84770-2505

435-673-6300 • 800-950-4877

For more information: www.urs.org

On the Cover:

Margaret Dayton, State Senate, 15th District, Utah County